

# Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i and City & County of Honolulu

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MINUTES  
HSAC EXECUTIVE COMMITTEE MEETING  
September 26, 2016  
Mission Memorial Meetings Room  
550 South King Street  
Honolulu, Hawai'i 96813

## I. CALL TO ORDER

The HSAC Executive Committee was called to order by HSAC President and County of Maui Councilmember Michael Victorino at 9:22 a.m. The following members comprising a quorum were present:

County of Maui:	President Michael Victorino, County of Maui Councilmember
County of Hawai'i:	Vice President Dennis "Fresh" Onishi, County of Hawai'i Councilmember
County of Kaua'i:	Secretary Mel Rapozo, County of Kaua'i Council Chair
City and County of Honolulu:	Treasurer Ikaika Anderson, City and County of Honolulu Councilmember
Others Present:	Gladys C. Baisa, County of Maui Councilmember  Honolulu staff Lisa-Ann Kimura, Staff Attorney, Office of Council Services; Honolulu staff Brandon Mitsuda, Council Liaison, Honolulu City Council Administrative Support Services; Honolulu staff Francisco Figueiredo, Legislative Aide, Office of Councilmember Ikaika Anderson; Honolulu Intern Nelson Mukai, Office of Councilmember Ikaika Anderson; Mary Schmidtke, Senior Advisor, Office of Councilmember Brandon Elefante, City & County of Honolulu County of Maui staff Kit Zulueta, Communication Director, Office of Council Services;



Kaua'i staff Aida Kawamura, Legislative Assistant,  
Office of Council Services;  
Scott Ishikawa, Becker Communications, Inc.

## II. APPROVAL OF AGENDA

Vice President Onishi moved for approval of the Agenda as circulated, seconded by Treasurer Anderson, and unanimously carried.

## III. MINUTES

- A. Minutes of the August 22, 2016 HSAC Executive Committee meeting, as submitted by the HSAC Secretary.

Vice President Onishi moved for approval of the Minutes of the August 22, 2016 HSAC Executive Committee Meeting, seconded by Secretary Rapozo, and unanimously carried.

There being no objections, public testimony was received out of order relating to emergency medical services.

Primary speaker – Ian Santee, Deputy Director, Honolulu Emergency Services Department

Others present – Mark Rigg, Director, Honolulu Emergency Services Department

Clay Chan, Department of Health Emergency Medical Services Injury Prevention Branch

Speedy Bailey, Vice President, AMR Hawai'i

Tito Villanueva, AMR Hawai'i – Kaua'i

Mr. Santee provided a brief summary of the history of emergency medical services in Hawai'i.

Mr. Chan extended his apologies for the absence of Dr. Alvin C. Bronstein from the HSAC Meeting as he was traveling out of state and expressed the positive relationship between the State and provider agencies. President Victorino expressed his appreciation to the State and provider agencies for their services. President Victorino inquired as to how much reimbursement the State receives from AMR services. Mr. Chan stated that approximately \$42 million is reimbursed to the State through reimbursements from cases that are transferred to a medical facility.





Mr. Santee clarified that the provider agencies are attempting to put forth before the State Legislature a concerted effort to obtain funding approval, which includes one (1) ambulance for Hawai'i County and another for Kaua'i County in the fiscal year 2018 biennium budget, as requested by the provider agencies. The request for fiscal year 2019, the request is for an ambulance for the Kaka'ako area. All provider agencies have agreed to support each other's proposals.

Secretary Rapozo clarified that when the emergency medical services proposal before HSAC is discussed, the Committee should discuss amending the proposal to include the County of Hawai'i ambulance service so that the HSAC proposal is consistent with what the State and provider agencies are lobbying for.

Mr. Rigg explained to the Committee that the State EMS Department is working hard under Dr. Bronstein's leadership to put forth a unified effort with the partner agencies.

EMS representatives clarified upon an inquiry from Vice President Onishi that the County of Maui's needs have not been identified as critical for the two biennium budgets that have been requested, but that needs could change and requests could be further amended. It was also stated that should funding be available for only one (1) ambulance the State Legislature would be the deciding body. If the decision is left to the State EMS Department, the data would justify any further decisions as to the order of priority. The representatives also stated that in the past three (3) years, no funding was received for new ambulances.

Vice President Onishi stated that the Volcano area unit was provided by County funding.

President Victorino stated that Ma'alaea has a response vehicle unit that was put in place in 2013.

EMS representatives clarified that the State EMS Department and the partner agencies are doing their best to convince the State Legislature to put funding towards this effort and to show them the financial benefit that the EMS services provides in generating revenue to offset any perceived notion of the cost to provide these services.

Secretary Rapozo stated that he will work to prepare an amendment to identify two (2) ambulances for the County of Hawai'i and the County of Kaua'i. Secretary Rapozo further stated that if funding is only provided for one (1) ambulance, that he would prefer that the State EMS Department and partner agencies deal with prioritization of which county would receive the funding.



Vice President Onishi asked the EMS representatives to let HSAC know if the priorities for the State EMS group change so that HSAC can lobby appropriately.

#### IV. REPORTS

##### A. Treasurer's Report

1. Treasurer's Report for the month of August 2016, as submitted by the HSAC Treasurer.

Vice President Onishi moved to approve the HSAC Treasurer's Report for the Month of August 2016, seconded by Secretary Rapozo, and unanimously carried.

##### B. County Reports

1. City and County of Honolulu Report. Treasurer Anderson reported that the Legislative Branch is preparing for Honolulu City Lights and the Honolulu City Legislative Christmas Tree display at Honolulu Hale. He further reported that discussions related to the Rail Project are underway to find a way forward to get the transit system past Ala Moana Shopping Center and as far as the University of Hawai'i at Mānoa which includes a proposal to the Federal Transit Administration (FTA) to consider allowing the City and County of Honolulu to amend the full-funding grant agreement to Middle Street instead of Ala Moana Shopping Center and then partner with the Federal government on the extension that runs to UH-Mānoa via Ala Moana Shopping Center. Treasurer Anderson stated that the Council is also entertaining a proposal he introduced related to a permitted interaction group to investigate funding options for the Rail Project with State, City, and Federal officials and another proposal which establishes a Council position regarding extension of the County's surcharge on the State General Excise Tax and a permitted interaction group to present, discuss, and negotiate the position with State officials. Treasurer Anderson explained that his reasoning for these two (2) proposals is to send a message to the State and others that there are at least four (4) members of the City Council and a more unified message regarding the funding and various other options related to the Rail Project.





2. County of Hawai'i Report. Vice President Onishi reported that a Polystyrene Task Force has completed the second of three (3) meetings, which has involved various stakeholders. Vice President Onishi explained that the timeline for implementation of a comprised solution may be too short of a time period.
3. County of Kaua'i Report. Secretary Rapozo reported that the County of Kaua'i recently held the Hawai'i Congress of Planning Officials (HCPO) Conference, where the County of Kaua'i received a planning award. Secretary Rapozo stated that any waste to energy efforts has been canceled by Mayor Carvalho.
4. County of Maui Report. President Victorino reported that Maui County experienced very heavy rains which caused major damage to various parks in the county. The estimated timeframe is 3-6 months before safety concerns and other structural concerns can be addressed. President Victorino expressed his gratitude to the many local, State, and Federal partners who have provided support during this weather event and the aftermath. President Victorino also stated that the County is currently working to reinforce seawalls along Honoapi'ilani Highway due to erosion and rising tides. President Victorino lastly explained that the County and State partners have been participating in lively discussion regarding the extension of Kahului Airport which has been opposed by many environmentalists.

Vice President Onishi moved to receive the foregoing County Reports for the record, seconded by Secretary Rapozo, and unanimously carried.

C. National Association of Counties (NACo) Report

Vice President Onishi stated that the NACo report is being finalized and will be submitted at the next meeting.

There being no objections, the NACo Report was deferred.

D. Western Interstate Region (WIR) Report

President Victorino moved to approve the WIR Report, as submitted by Council Chair Mike White and Councilmember Daniel K. Paleka, Jr. The report was written by Troy N. Hashimoto, Executive Assistant to Council Chair Mike White, and dated September 1, 2016. The motion to approve was seconded by Treasurer Anderson, and unanimously carried.



## V. UNFINISHED BUSINESS

- A. Communication from Kaua'i County Council Chair Mel Rapozo submitting four State bills for inclusion in the 2017 Hawai'i State Association of Counties Legislative Package, as approved by the Council on August 3, 2016. The bills have the following respective purposes:
1. To delete the sunset provision for the liability exceptions for county lifeguards (*Previously approved for transmittal to the county councils*).
  2. To direct the traffic fines and forfeitures collected for uncontested traffic infractions to the county in which the citation was issued.
  3. To exempt from civil service positions of non-elected chief executive officers or heads of the executive branch of county government.
  4. To appropriate funds to the Department of Health for Fiscal Year 2018 for the purchase of an ambulance vehicle and the operational costs for one ambulance unit, including equipment, supplies, and personnel costs for State-certified emergency medical services personnel, for a 24-hour ambulance unit for the County of Kaua'i.

Secretary Rapozo moved to approve item number 2 (uncontested traffic fines) for inclusion in the 2017 HSAC Legislative Package, seconded by Treasurer Anderson, and unanimously carried.

Secretary Rapozo moved to approve item number 3 (civil service exemption) for inclusion in the 2017 HSAC Legislative Package, seconded by Vice President Onishi.

Secretary Rapozo explained that this item stemmed from the County of Kaua'i's experience with discussions regarding establishing a County Manager form of government and opinion received from the State Attorney General on said matter.

Treasurer Anderson stated that he personally does not support the County Manager system, but would support the proposal if HSAC decides to include it in the legislative package.

Vice President Onishi and President Victorino expressed their opposition to the proposal based on their counties' needs. President Victorino stated that the Maui County Council received a conflicting opinion from their corporation counsel regarding what would be needed to establish a County Manager system, during their deliberations.





The motion was then put and failed by a vote of 2:2 (Vice President Onishi and President Victorino voting no.)

Action on item number 4 (EMS) was deferred, pending amendments to be incorporated into the proposal for two (2) ambulances, one (1) for Kaua'i County and one (1) for Hawai'i County.

## VI. NEW BUSINESS

- A. Communication for Honolulu City Clerk Glen Takahashi submitting two State bills for inclusion in the 2017 Hawai'i State Association of Counties Legislative Package, as approved by the Council on September 7, 2016. The bills have the following respective purposes:
1. To mandate the State Department of Health to adopt and implement administrative rules to enforce residential and commercial noise standards.  
•Testimony in support submitted by Honolulu City Councilmember Trevor Ozawa
  2. To regulate operators of unmanned aircraft systems  
•Testimony in support submitted by Honolulu City Councilmember Brandon Elefante

Unmanned Aircraft Systems. Treasurer Anderson explained that Councilmember Elefante submitted this proposal for inclusion in the 2017 HSAC Legislative Package to address concerns regarding the increase use of drones.

Vice President Onishi asked whether the Federal Aviation Administration (FAA) provided information as to whether the State or counties could implement such regulations. Treasurer Anderson stated that based on the information he has received, the counties or State could move forward with such regulations. Vice President Onishi requested a written statement from the FAA regarding this topic and referenced Councilmember Elefante's written testimony.

President Victorino expressed the need for increased regulations and rules due to experiences he has heard of drones invading the privacy of citizens, but would like to see the documentation from the FAA.



The FAA Frequently Asked Questions (FAQ) sheet related to unmanned aircraft systems was distributed. President Victorino clarified that the proposal is focused only on areas under county jurisdiction.

Vice President Onishi moved for approval of item number 2 (drones) for inclusion in the 2017 HSAC Legislative Package, seconded by Treasurer Anderson, and unanimously carried.

Noise Standards. Treasurer Anderson explained that this proposal was put forth by Councilmember Ozawa as his office has received numerous noise complaints from various sources (speakers, construction, etc.). Treasurer Anderson clarified that Councilmember Ozawa's proposal is to improve enforcement and adopt rules to address residential and commercial noise standards.

Secretary Rapozo expressed his support of the proposal as the County of Kaua'i has also experienced many complaints from residents regarding noise and the lack of rules or enforcement at the State level.

Councilmember Gladys Baisa stated concern in that the counties are not notified of the processing of administrative rules and are not able to provide testimony during that process. She also noted that this may be an issue of homerule. Councilmember Baisa stated that this might be a good proposal which could be further strengthened by county ordinances.

Vice President Onishi explained that as it relates to the raising of chickens in a residential area, that is prohibited in the County of Hawai'i. The raising of chickens is only allowed on agricultural land. Vice President Onishi further explained that the County of Hawai'i does have a specific ordinance related to barking dogs. He further stated that his island also has concerns regarding noise from low-flying helicopters and has received mixed messages about which jurisdiction has responsibility for noise violations.

President Victorino stated the importance of bringing all stakeholders to the table to discuss these types of issues and the responsibilities of each stakeholder. President Victorino expressed concern with the homerule issue and with equipping county personnel to carry out the enforcement efforts to address noise. President Victorino stated that he would like the counties to have the ability to establish noise rules and regulations and is therefore unable to support Councilmember Ozawa's proposal. President Victorino further stated that this proposal is not the method to address the outcome that Councilmember Ozawa would like to realize.





Treasurer Anderson stated that many residents do not realize that the Hawai'i Administrative Rules (HAR) exist and there is no procedure to amend the HAR that is understandable. Treasurer Anderson stated that if this proposal fails, he will recommend to Councilmember Ozawa to submit a proposed statutory amendment which addresses the changes he would like to effectuate as a mandatory requirement.

Vice President Onishi moved for approval of item number 1 (noise) for inclusion in the 2017 HSAC Legislative Package, seconded by Secretary Rapozo, and failed by a vote of 3:1 (President Victorino voting no.)

Treasurer Anderson noted that Councilmember Ozawa will be submitting a revised proposal for consideration for inclusion in the 2017 HSAC Legislative Package.

B. Communication from Maui County Clerk Danny Mateo submitting four State bills for inclusion in the 2017 Hawai'i State Association of Counties Legislative Package, as approved by the Council on September 16, 2016. The bills have the following respective purposes:

1. To enable councilmembers to freely attend community and educational meetings.
2. To implement the recommendations of the State-County Functions Working Group relating to the transient accommodations tax.
3. To allow persons with disabilities to indicate on their identification cards their disability.
4. To increase revenue for each county's affordable housing fund through a one percent conveyance tax.

Councilmember Meeting Attendance. President Victorino and Councilmember Baisa stated their support for item 1 and noted the lengthy discussion regarding this issue in past sessions.

Secretary Rapozo moved for approval of item number 1 for inclusion in the 2017 HSAC Legislative Package, seconded by Vice President Onishi, and unanimously carried.



Transient Accommodations Tax (TAT). Treasurer Anderson asked for clarification on the exact proposal that is being requested. President Victorino clarified that the proposal would be to implement the recommendations, including percentages, of the TAT Working Group. Secretary Rapozo confirmed the same. Treasurer Anderson requested that HSAC during its meeting with the Governor later in the afternoon, float the idea of the Governor including a higher appropriation to the counties via the TAT in his executive budget.

Vice President Onishi stated that both he and Treasurer Anderson met with Governor Ige last Friday and talked with him about the TAT. Vice President Onishi stated that he mentioned that the counties would appreciate an additional \$25-30 million in TAT revenue, but provided no commitment on behalf of HSAC. Governor Ige told Vice President Onishi and Treasurer Anderson that he would meet with his Director of Finance and would have figures available to share with HSAC on what could possibly be filtered to the counties. Vice President Onishi expressed his interest in working with the Governor to find a compromise instead of requesting a high figure that would not be palatable. President Victorino expressed his disappointment that representatives of HSAC provided figures to the Governor without the consent of the remaining HSAC Executive Committee members, as it was previously agreed that no figures would be provided without prior consent of the HSAC Executive Committee as a whole. Treasurer Anderson clarified that no specific figures were committed to by either party involved in Vice President Onishi and Treasurer Anderson's meeting with Governor Ige. Vice President Onishi stated that the intention of the meeting was just to get a "feel" as to whether it was worth the investment of time, and whether the Governor could assist the counties as opposed to going through the more difficult route working with so many individual legislators. Vice President Onishi further stated that he decided to meet with the Governor as his previous attempts to get a meeting scheduled through HSAC were unsuccessful.

Secretary Rapozo stated that he would like to focus the discussion on the Working Group's recommendation and nothing else, as every proposal considered is based on the data provided by the Working Group.

Vice President Onishi stated that HSAC needs to be realistic as to what the Governor or the State Legislature will provide in TAT revenue increases to the counties. Vice President Onishi also noted that HSAC needs to remember that the Legislature did provide for the counties to enact a GET surcharge, yet no neighbor island county took that opportunity.





Secretary Rapozo reminded the members that the counties and mayors failed to cohesively put forth a proposal and unified message during the last session, but is hopeful of the effort of an active campaign with the assistance of Becker Communications to enlist other organizations to assist HSAC in lobbying for increased TAT revenues for the counties. Secretary Rapozo noted that in his discussion with Senate President Kouchi, it appears as if the Legislature is positioned to most likely provide the option of a GET surcharge, removing the ten percent (10%) administrative fee that the State withholds, instead of any increase to the allocation of TATs to the counties. Secretary Rapozo also noted that approximately one-third (1/3) of the revenue generated may be earmarked for State highway projects.

Treasurer Anderson confirmed that he had heard similar proposals discussed by legislators, however, the surcharge would be available to the counties in perpetuity or until otherwise amended.

President Victorino asked members to please give advanced notice should any individual member be inclined to meet with the Governor or legislators on HSAC business in the future.

There being no objections, items number 2 (TAT) was deferred until the conclusion of a meeting with Governor David Y. Ige in the afternoon.

#### ID Cards for Persons with Disabilities.

Secretary Rapozo moved for approval of item number 3 for inclusion in the 2017 HSAC Legislative Package, seconded by Vice President Onishi, and unanimously carried.

#### Affordable Housing Conveyance Tax.

President Victorino noted that testimony was provided by Councilmember Elle Cochran on item 4.

Secretary Rapozo expressed his interest to see this proposal move forward so that the County of Kaua'i can have further discussion with the County's Department of Finance regarding this proposal.



Vice President Onishi clarified the potential difficulty in getting this passed when increases in other revenue options such as increasing the GET were not well received. Vice President Onishi also pointed to the variations in market sales and development in each county as a cause for concern.

President Victorino stated that the threshold was set at \$1 million so that it would not adversely impact the residential market.

Vice President Onishi stated that the percentage increase could potentially be higher, if the target market is those with expensive second homes. President Victorino stated that organizations in the County of Maui were opposed to any increase, and a higher percentage would definitely pose a problem for those organizations on Maui and would ultimately lead to Maui Councilmembers voting against that increased conveyance tax percentage.

Secretary Rapozo moved for approval of item number 4 for inclusion in the 2017 HSAC Legislative Package, seconded by Vice President Onishi, and unanimously carried.

There being no objections, the meeting recessed at 12:02 p.m. The meeting reconvened at 12:07 p.m. and proceeded with agenda item V.A.4 (EMS), as follows:

Secretary Rapozo moved to approve item V.A.4 (EMS), as amended to reflect a request for two ambulances, one for Kaua'i County and one for Hawai'i County, seconded by Vice President Onishi, and unanimously carried.

President Victorino noted that Maui County will be transmitting four (4) additional measures for consideration for inclusion in the HSAC Legislative Package. The measures include distribution of documents as referenced in the Sunshine Law, IAL funding for mapping, comprehensive boundary amendment following the general plan update, and representation in bargaining unit negotiations with respect to Bargaining Units 11 and 12.

There being no objections, the meeting was recessed at 12:33 p.m. The meeting reconvened at 3:14 p.m., and proceeded with agenda item VI.C, as follows:





C. 2017 State Legislature update and discussion on lobbying efforts.

President Victorino stated his appreciation to Governor Ige for meeting with HSAC. President Victorino further stated that it does not seem likely that the Governor would likely release any additional TAT revenue to the counties.

Relating to the tort liability proposal, Treasurer Anderson felt that the Governor did not fully understand the issue and would need to obtain more information before making any type of commitment. Vice President Onishi concurred and felt that more education is needed from HSAC on all measures that HSAC is proposing. President Victorino expressed the importance of the tort liability issue as perhaps the most important issue facing the counties with respect to the financial liability ramifications. Vice President Onishi stated that the question that needs to be answered is why does the State Legislature not make the tort liability provision a permanent provision.

Secretary Rapozo stated that HSAC needs to continue its work on the media campaign proposed by Becker Communications, Inc. Vice President Onishi pointed out the importance of having someone with a financial or economics background to provide an explanation regarding the increase in TAT revenue, but a decrease in GET revenues. President Victorino stated that he will check on the availability of Paul Brewbaker or a representative from the State Council on Revenues, to provide a briefing to the HSAC Executive Committee. Mr. Ishikawa noted that he is able to contact Mr. Brewbaker if that is the wish of the Committee.

President Victorino stated that his feeling is that Governor Ige concurred with the EMS proposal.

President Victorino and Councilmember Baisa felt that Governor Ige was not aware of the Sunshine Law issues and that he learned a lot from HSAC members.

The meeting proceeded with agenda item VI.B.2 (TAT) as follows:

Secretary Rapozo stated that a decision needs to be made regarding whether HSAC is moving forward with that TAT proposal or pursuing other options. Mr. Ishikawa inquired as to the earliest possible date HSAC could begin lobbying the State Legislature on HSAC proposals. President Victorino clarified that the earliest HSAC could start lobbying would be in November after the General Election and once the Legislature's leadership has been determined. President Victorino and Councilmember Baisa expressed their interest in starting lobbying efforts as early as possible in November.



Secretary Rapozo moved to approve item number VI.B.2 (TAT) for inclusion in the 2017 HSAC Legislative Package, seconded by Treasurer Anderson, and unanimously carried.

## VII. ANNOUNCEMENTS

### A. Scheduling of the next meeting.

The next Executive Committee meeting is scheduled for Monday, October 24, 2016, 10 a.m. on O'ahu.

### B. Other announcements.

There were no other announcements.

## VIII. ADJOURNMENT

Treasurer Anderson moved to adjourn the meeting at 4:01 p.m., seconded by Vice President Onishi, and unanimously carried.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mel Rapozo", with a long, sweeping horizontal line extending to the right.

MEL RAPOZO, Secretary  
Hawai'i State Association of Counties